

James Madison to G. McDuffie, May 8, 1830.

**Transcription: The Writings of James Madison,
ed. Gaillard Hunt. New York: G.P. Putnam's Sons,
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TO GEORGE McDUFFIE.¹

1 Copy of the original kindly contributed by W. H. Gibbes, Esq., of Columbia, S. C.

Montpellier, May 8, 1830.

Dear Sir

I have recd. a copy of the late Report, on the Bank of the U. S. and finding by the name on the envelope, that I am indebted for the communication to your politeness, I tender you my thanks for it.² The document contains very interesting

2 The report was introduced in the House by McDuffie, April 13. It may be found in Cong. Debates, 21st Cong. 1st Session, p. 103, appendix.

& instructive views of the subject; particularly of the objectionable features in the substitute proposed for the existing Bank.

I am glad to find that the Report sanctions the sufficiency of the course and character of the precedents which I had regarded as overruling individual judgments in expounding the Constitution. You are not aware perhaps of a circumstance, weighing against the plea that the chain of precedents was broken by the negative on a Bank bill by the casting vote of the President of the Senate, given expressly on the ground that the Bill was not authorized by the Constitution. The circumstance alluded to is that the equality of votes which threw the casting one on the Chair, was the result of a union of a number of members who

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objected to the expediency only of the Bill, with those who opposed it on constitutional grounds. On a naked question of constitutionality, it was understood that there would have been a majority

who made no objection on that score, [the journal of the Senate may yet test the fact.]

Will you permit me Sir to suggest for consideration whether the Report (pg.-10) in the position & reasoning applied to the effect of a change in the quantity on the value of a currency, sufficiently distinguishes between a special currency, and a currency not convertible into specie. The latter being of local circulation only, unless the local use for it increase or diminish, with the increase or decrease of its quantity, [will] be changeable in its value, as the quantity of the currency changes. The metals on the other hand, having a universal currency, would not be equally affected by local changes in their circulating amount, a surplus producing a proportional depreciation at home, might bear the expense of transportation, and avail itself of its current value abroad.

If I have misconceived the meaning of the Report, you will be good enough to pardon the error, and to accept, with a repetition of my thanks, assurances of my great & cordial respect.